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March 16, 2021

VIA ELECTRONIC COURT FILING

Hon. John G. Koeltl
United States District Court
Southern District of New York
500 Pearl Street
New York, New York 10007

Re: *United States v. Arthur Hayes*, 20 Cr. 500 (JGK)

Dear Judge Koeltl:

We are counsel for defendant Arthur Hayes in the above-captioned case. Mr. Hayes is a U.S. citizen who lawfully resides in Singapore. Beginning shortly after the indictment was unsealed in October 2020, we have been in ongoing discussions with the government with a view toward arranging for Mr. Hayes' voluntary appearance and release on bail. Those discussions have proved complex due to several factors, most notably the travel and public health disruptions caused by the global COVID-19 pandemic. However, as outlined by the government at the February 9, 2021 status conference, the parties have now reached agreement-in-principle on a proposed bail package and logistical arrangements for Mr. Hayes' voluntary surrender in the District of Hawaii on April 6, 2021. See 2/9/21 Tr. at 5-7. We respectfully submit this letter to inform the Court of the details of the April 6 voluntary surrender and proposed bail package.

Background on Mr. Hayes

Mr. Hayes is 35 years old and a native of upstate New York. After graduating from the University of Pennsylvania's Wharton School of Business in 2008, he moved to Asia and has lived there ever since. From 2008 to 2013, Mr. Hayes worked at Deutsche Bank and Citi, respectively, and in 2014 he co-founded BitMEX, a cryptocurrency derivatives trading platform that has, over time, grown into a significant business enterprise. Mr. Hayes is in good health and has no prior criminal record.

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Mr. Hayes is married to a Singaporean citizen. He and his wife live in Singapore in an apartment that Mr. Hayes owns.¹ Previously, Mr. Hayes lived in Hong Kong, where he has a residency permit. From January 2020 through the present, he has been continuously present in Singapore.

Proposed Bail Conditions and Voluntary Surrender Logistics

After extensive discussions, the parties have agreed on the following proposed bail conditions, subject to the Court's approval: (a) release on a \$10 million personal recognizance bond, secured by \$1 million in cash and co-signed by Mr. Hayes' mother; (b) Mr. Hayes to reside in Singapore with pre-approved travel to the State of New York; (c) Mr. Hayes to retain his passport for travel between Singapore and the United States; (d) Mr. Hayes to execute a waiver of extradition in a form mutually agreed by the government and the defense; and (e) standard conditions of release such as not possessing firearms and reporting any contact with law enforcement within 24 hours. Given logistical challenges, we request that Mr. Hayes be released on the date of his initial appearance, with the co-signer to sign the bond within 10 days and Mr. Hayes to post the \$1 million cash security within 5 days of Mr. Hayes' counsel being notified of the specific account to which the cash security should be deposited.²

With respect to voluntary surrender, Mr. Hayes intends to arrive in the District of Hawaii on the morning of April 6, 2021. We understand that the government has been in touch with the local FBI office in Honolulu to arrange for logistics of processing and transportation to the courthouse, although the exact details remain uncertain. To the extent that Mr. Hayes is required to appear remotely for proceedings such as the pretrial services interview and his initial appearance before a magistrate judge in Hawaii, he consents to video conferencing pursuant to Fed. R. Crim. P. 5(f). Following his initial appearance, Mr. Hayes will remain in Hawaii for a prescribed quarantine period, before returning to Singapore. As the criminal case moves forward, he will of course travel to New York as needed for court appearances and meetings with counsel.

¹ Since early 2021, Mr. Hayes' wife has been in Hong Kong for work training, but she expects to return to Singapore in April 2021 pursuant to remote work arrangements and, thereafter, to spend time in Singapore and Hong Kong once COVID-19-related travel restrictions have eased.

² The government reserves the right to bring to the Court's attention new or different information that may be contained in the pretrial services report.



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We are happy to respond if the Court has any questions about the anticipated arrangements for Mr. Hayes' voluntary surrender, initial appearance, or proposed bail package.

Respectfully,

/s/ James J. Benjamin, Jr.

James J. Benjamin, Jr.
Katherine Goldstein
Peter I. Altman

cc: AUSA Jessica Greenwood
AUSA Sam Raymond